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MMA-Implementation of Section 414 of the Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003

Key Words

Section 414, MMA, Payment, Ambulance, Service, Ground, Transports, Adjustments, Rates, FS, Fee, Schedule, Regional, National

Provider Types Affected

All ambulance services including volunteer, municipal, private, independent, and institutional providers such as hospitals, critical access hospitals and skilled nursing facilities

Key Points

The effective date for this instruction is July 1, 2004.

Section 414 of the MMA of 2003 provides the following changes to the payment for ground ambulance services:

- Regional Ambulance Fee Schedule (FS) Payment Rate Floor for Ground Transport Services:
 - For services furnished during the period of July 1, 2004, through December 31, 2009, the base rate portion of the payment under the ambulance FS for ground transports is subject to a minimum amount.
 - This minimum amount is dependent upon the area of the country in which the service is furnished.
 - Where the regional FS is greater than the national FS, the base rates for ground ambulance transports are determined by a blend of the national FS and the regional rate in accordance with the schedule on page 2 of Medlearn Matters article MM3099.
 - Where the regional rate is greater than the national rate, there is no blending and only the national FS amount applies.
- Adjustment to the Ground Mileage Payment Amount for Miles Greater than 50:
 - For services furnished during the period of July 1, 2004, through December 31, 2008, a 25-percent increase is applied to the appropriate ambulance FS mileage rate for each mile of a transport (both

urban and rural points of pickup (POP) that exceeds 50 miles (i.e. 51 miles or greater) when the beneficiary is onboard the ambulance.

- The 50 percent increase applied to rural ambulance FS mileage rates for the first 17 miles of a rural Point of Pickup (POP) continues to apply as it always has under the FS.
- For services furnished during the period January 1, 2004 through June 30, 2004, for all ground miles greater than 17 miles, the FS rate equals the urban mileage rate per mile
- Adjustments for FS Payment Rate for Certain Rural Ground Ambulance Transports:
 - For services furnished during the period July 1, 2004 through December 31, 2009, there is a 22.6 percent increase in the FS portion of the base payment for ground ambulance services in low population density rural areas.
 - This increase applies where the POP is in a rural county (or Goldsmith Area) that is comprised by the lowest quartile by population of all such rural areas arrayed by population density
- Adjustments for FS Payment Rates for Ground Ambulance Transports:
 - For services furnished during the period July 1, 2004, through December 31, 2006, the payment rates under the FS for ground ambulance transport (both the FS base rates and the mileage amounts) are increased.
 - For services furnished where the POP is urban, the rates are increased by one percent.
 - For service furnished where the POP is rural, the rates are increased by two percent.

The MMA of 2003 payment changes for ground ambulance services that become effective on July 1, 2004 are listed in chart on page 3 of Medlearn Matters article MM3099.

Important Links

<http://www.cms.hhs.gov/medlearn/matters/mmarticles/2004/MM3099.pdf>

http://www.cms.hhs.gov/manuals/pm_trans/R88CP.pdf